

STATE OF ALASKA  
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT  
DIVISION OF INSURANCE

In the Matter of:	)	
	)	
PREMERA BLUE CROSS CONVERSION	)	
	)	
R 03-07	)	Order No. 9 – Ruling on
	)	Request to Disclose
	)	Consultants’ Findings or,
	)	Alternatively, to Modify
_____	)	Form A Hearing Schedule

On February 13, 2004, the University of Alaska, Anchorage Neighborhood Health Center, United Way of Anchorage, and John Garner (collectively referred to as “Amici”) filed a request with the director to disclose consultant findings regarding allocation in reports currently on file with the director or, alternatively, to allow for early release of the Reden & Anders supplemental report. In Order No. 8, I requested the division staff to file a response or opposition to Amici’s request. On February 20<sup>th</sup>, 2004, the division staff filed a Conditional Non-Opposition to Amici’s Request to Disclose Consultants’ Recommendation on Allocation. Amici filed a reply to the division’s conditional non-opposition on February 24, 2004.

The division staff does not object to release of the consultants’ recommendation on allocation, which is contained in reports currently on file with the division, subject to a disclaimer that the current numbers are not accurate and will change in the supplemental reports. The division staff also does not object to early release of the Reden & Anders supplemental report as long as the Signal Hill report also is released and as long as the division is able to request appropriate relief if early release of the reports makes adhering to the current Form A hearing schedule impractical. In reply, Amici requests immediate release of current allocation information and the public release of the Reden & Anders and Signal Hill supplemental reports by noon on March 2, 2004.

In absence of a showing that the allocation recommendation is confidential or protected by privilege, I conclude that such information should be made public. I agree with the division staff that it might not be in the public interest or the division's interest to release allocation numbers known to be inaccurate. In my view, it would have been appropriate to correct this information when the inaccuracies became known or at least before filing the reports with me. I presume that a decision was made to resolve the inaccuracies through the supplemental report process. In any event, the inaccuracies of the original allocation information are mitigated by release of the supplemental reports with corrected allocation information. For that reason and the reason that the division staff does not object, I will order release of the original and corrected allocation information.

THEREFORE, IT IS HEREBY ORDERED:

1. On or before February 27, 2004, the division staff shall release to Amici copies of the Reden & Anders and Signal Hill executive summaries currently on file with the director without redaction of the allocation recommendation. These executive summaries should be annotated as appropriate with the disclaimer that the allocation numbers are not accurate and will be changed in the supplemental reports. This order is not intended to amend Order No. 7, which requires the parties to submit by March 8, 2004 redacted versions of the underlying consultant reports currently on file with the director, subject to appropriately established claims of privilege, trade secret, or proprietary business information. However, if the parties are in a position to file redacted versions of the current Reden & Anders and Signal Hill reports by February 27, 2004, then they should do so, subject to making the showing requested in Order No. 7 by March 8, 2004. These underlying reports also should be annotated with the above-referenced disclaimer.

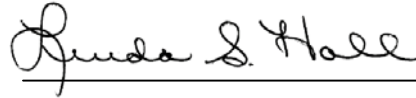
2. The Form A hearing schedule set forth in Order No. 6 is amended to add the following expedited deadlines for filing supplemental reports of Reden & Anders and Signal Hill.

Noon, February 27, 2004	Reden & Anders and Signal Hill supplemental reports on amended Form A submitted to Premera Blue Cross
Noon, March 1, 2004	Premera Blue Cross provide to division staff proposed redactions and corrections to Reden & Anders and Signal Hill supplemental reports
Noon, March 2, 2004	Division staff releases redacted reports to Amici and Premera Blue Cross and file the same with the director

3 In all other respects, the Form A hearing schedule will remain the same, except that the director will consider motions to modify the schedule if necessary to accommodate the expedited deadlines in paragraph 2.

4. The executive summaries and underlying reports released under paragraph 1 and the supplemental reports released under paragraph 2 will be posted to the division web site as soon as practicable after their release.

Dated: February 25, 2004

A handwritten signature in cursive script, reading "Linda S. Hall", written in dark ink. The signature is positioned above a solid horizontal line.

Linda S. Hall  
Director